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AG Bruning Fights to Protect Billions in Ethanol Sales from Unconstitutional Regulation

LINCOLN - Attorney General Bruning and six other states today filed a brief in the Ninth Circuit Court of Appeals opposing enforcement of California's Low Carbon Fuel Standard (LCFS). In December 2011, the Eastern District of California found the regulation violated the dormant commerce clause of the U.S. Constitution by discriminating against out-of-state ethanol.

"This regulation directly threatens \$1.3 Billion in ethanol sales from Nebraska alone, and untold billions across the Midwest," said Bruning. "We will continue to fight California's unconstitutional attempt to limit fuel markets by discriminating against Nebraska corn and ethanol producers."

California's LSFS mandates annual reductions in the "carbon intensity" for gasoline and other transportation fuels sold in California. The regulation assigns higher carbon intensity scores to corn ethanol produced in Nebraska and other Midwestern states compared to identical ethanol produced in California.

In January 2012, California appealed and requested a stay of the district court's decision at the Ninth Circuit Court of Appeals. If granted, the stay by the Ninth Circuit Court of Appeals would allow California to continue enforcement of its unconstitutional law pending appeal.

Nebraska was joined by Iowa, Kansas, Michigan, Missouri, North Dakota, and South Dakota in opposing the stay of the district court's decision.